

MINUTES OF
REGULAR MEETING
VARNER CREEK UTILITY DISTRICT

December 20, 2017

STATE OF TEXAS :

COUNTY OF BRAZORIA :

The Board of Directors of Varner Creek Utility District of Brazoria County, Texas convened in regular session, open to the public in the Oak Room at the Columbia Lakes Clubhouse, West Columbia, Texas within the boundaries of the District on the 20th day of November, 2017 at 9 am. and the roll was called of the duly constituted officers and members of the Board,
to-wit:

Allan Sassin	President
Gene Pell	Vice-President / Financial Director
Becky Carroll	Secretary/Treasurer
Wayne Pollard	Asst. Secretary/Treasurer
Ray Sauer	Director

Also present were the following: Debra Lanehart, 1st Capital Business Services; Ben Ryder, Ryder & Co.; Doug Roesler, Baker & Lawson; Clark Lord & Mona Cannon, Bracewell, LLP. All members were present, except Director Pollard thus constituting a quorum.

Allan Sassin called the meeting to order at 9:00am.

Minutes are presented in order of the stated agenda even though actual order of topics were discussed out of agenda order.

A. SEWER AND WATER BILLING AND COLLECTION REPORTS

1. Debra Lanehart presented the water and sewer billing and collections report for the read dates of 10/27-11/22/17. Accountability for the month was 81% Pumpage was 5,027,000 and consumption was 4,052,000.

The cut-off list was presented with a cut off date of December 29, 2017.

Director Carroll made a motion to accept the water and sewer reports, seconded by Director Sauer and the vote was unanimous.

Director Sauer made the motion to approve the cut off list, seconded by Director Pell and

A. SEWER AND WATER BILLING AND COLLECTION REPORTS CONT.

the vote was unanimous.

B. OPERATOR'S REPORT

1. Update on maintenance: October
 - Bacteriological samples were good .
 - Levee: Inspection good
 - Checked off-site well.
 - Mowed and weeded pump stations and levee, North Ditch
 - Cleaned storm drains
 - Flushed hydrants.
 - Water Taps: 3 Sewer Taps: 3
2. No update: Still pending.
3. La Casona was not having the main grease trap cleaned. Owners authorized the cleaning and will bill La Casona for reimbursement.

Motion to accept the Operator's report made by Director Pell and seconded by Director Sauer and the vote was unanimous.

C. ENGINEER'S REPORT

1. Engineers provided the Board with a preliminary protection levee elevations survey. Investigation of the inlets: Because of the age of the inlet structure, the cost of replacement would be prohibitive. The District will try replacing the perforated grates with solid grates to try to solve the issue of debris buildup blocking the flow of water. Other projects to consider: Pursue land purchase of property around the East Pump Station and the replacement of the current type of meter with smart meters.
2. Engineers are continuing to work on costs of proposed projects.
3. Engineer has reviewed the Dam Emergency Action Plan and reported on required actions. District should conduct its 5-year "tabletop exercise" in 2018. District will coordinate with the appropriate attendees to set up the meeting.

Motion to accept the report made by Director Pell and seconded by Director Carroll. The vote was unanimous.

D. LEGAL/FINANCIAL ADVISORS

1. The City of West Columbia agreed to a contract extension until February 2018. No update from the City on discussion of the contract.
2. District Administrator will send any documents regarding the front lagoons that are available.

E. ADMINISTRATOR REPORT

1. Debra Lanehart reported the collection of standby fees in November totaled \$1,935.00.

Director Carroll made the motion to accept the standby collection report. Director Pell seconded the motion and the vote was unanimous

2. Debra Lanehart presented the Administrator's report reviewing account monies, transfers and balances in the District's Operating, Capital Projects, and Debt Service accounts.

- o Motion made by Director Pell to accept the Cash Balance Report, seconded by Director Sauer and the vote was unanimous.

3. Tax Assessor/Collector's report for November was presented. Current year collections paid was \$83,905.57 and prior year collections for the period was \$3229.30. The 2017 taxes due was adjusted upward by \$406.06. Prior year balances were adjusted downward by \$864.48.

Motion to accept the Tax report made by Director Sauer, seconded by Director Pell and the vote was unanimous.

4. Budget Report for November 2017 was presented. Revenues to-date are \$6667,820.82 (without Accrued M&O tax) or 87% of the Current Budgeted (revised) revenue amount of \$769,260.00. Expense to-date total \$680,474.56 or 88% of the Budgeted (revised) expenses amount of \$769,260.00.

Motion to accept the Budget Report for November was made by Director Pell, seconded by Director Sauer and the vote was unanimous.

5. Motion to increase the water and sewer rates by 10% over the 2,000 base rate of \$13.50 beginning January 1, 2018 was made by Director Sauer, seconded by Director Pell and the vote was unanimous.
6. Director Sauer made the Motion to adopt the 2018 Budget with Revenues and Disbursements of \$790,500.00. The motion was seconded by Director Pell and the vote was unanimous.
7. Director Sassin will propose January 11, 2018 at 6 pm to David Cunningham, the President of the Columbia Lakes Homeowners Association for a Joint meeting for the purpose of discussing the projects in progress by the District and future projects of concern to all residents.
8. Debra Lanehart informed the Board that the District's application for the Collection of Standby Fees for the period 2018-2020 has been approved by TCEQ.
9. Debra Lanehart provided list of checks with \$76,417.10 out of Operating account and two (2) checks from the Capital Projects Fund. One to R. R. Ramsower for \$3,933.00 for the replacement screens for the pump station and one to Absolute Water Pumps for \$20,055.00

E. ADMINISTRATOR REPORT CONT.

10. for the purchase of a portable pump on a trailer with attachments. One check from the Debt Service Fund for \$1,494.50 for the Quarterly billing for Brazoria County Appraisal District.

Motion to approve check list made by Director Pell, seconded by Director Carroll and the vote was unanimous.

F. TRUST PROPERTIES

None

G. MINUTES

Director Pell made the motion to accept the minutes from the November 20, 2017 regular meeting as presented, seconded by Director Carroll and the vote was unanimous.

H. SECURITY REPORT

None

There being no other business to come before the Board, Director Carroll made a motion to adjourn. The motion was seconded by Director Sauer and the vote was unanimous.

Debra Lanehart
District Administrator

(SEAL)